

**IN THE DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION
STATE OF MISSOURI**

In Re:)	
)	
Missouri Public Entity Benefits, Inc.,)	
d/b/a Missouri Public Entity Benefits,)	
d/b/a MoPEB,)	Case No. 100806562C
)	
Serve at:)	
2350 Old Nome Road)	
China, Texas 77613)	
)	
and serve:)	
c/o Ashley Sasz Kisslinger)	
Registered Agent)	
4106 Windy Woods Court)	
Kingwood, Texas)	
77345-1287)	
)	
Kerry Kisslinger,)	
)	
Serve at:)	
4106 Windy Woods Court)	
Kingwood, Texas)	
77345-1287)	
)	
Ashley Sasz Kisslinger,)	
)	
Serve at:)	
4106 Windy Woods Court)	
Kingwood, Texas)	
77345-1287)	
)	
and)	
)	
Leigh Boyce,)	
)	
Serve at:)	
706 Cardinal St.)	
Jefferson City, Missouri 65101.)	

VERIFIED STATEMENT OF CHARGES

The Consumer Affairs Division of the Department of Insurance, Financial Institutions and Professional Registration ("Division"), by and through counsel, requests the Director of the Department of Insurance, Financial Institutions and Professional Registration ("Director" of the "Department") to issue an order to show cause and other such orders as are warranted against Missouri Public Entity Benefits, Inc., (and its d/b/a's), Kerry Kisslinger, Ashley Sasz Kisslinger, and Leigh Boyce to protect consumers in Missouri, to revoke the certificate of authority of Missouri Public Entity Benefits, Inc. as a third-party administrator, and to order the payment of a civil penalty or forfeitures, and costs of investigation and prosecution, all pursuant to § 374.046 RSMo (Supp. 2010),¹ based on the following statement of charges:

JURISDICTION

1. The jurisdiction of the Director to administer this proceeding and to grant the relief requested is found in § 374.046, which provides, in part:

1. If the director determines based upon substantial and competent evidence that a person has engaged, is engaging in or has taken a substantial step toward engaging in an act, practice, omission, or course of business constituting a violation of the laws of this state relating to insurance in this chapter, chapter 354, RSMo, and chapters 375 to 385, RSMo, or a rule adopted or order issued pursuant thereto or that a person has materially aided or is materially aiding an act, practice, omission, or course of business constituting a violation of the laws of this state relating to insurance in this chapter, chapter 354, RSMo, and chapters 375 to 385, RSMo, or a rule adopted or order issued pursuant thereto, the director may order the following relief:

(1) An order directing the person to cease and desist from engaging in the act, practice, omission, or course of business;

(2) A curative order or order directing the person to take other action necessary or appropriate to comply with the insurance laws of this state;

(3) Order a civil penalty or forfeiture as provided in section 374.049; and

(4) Award reasonable costs of the investigation.

* * *

8. In a final order . . . the director may charge the actual cost of an investigation or proceeding for a violation of the insurance laws of this state or a rule adopted or order issued pursuant thereto. These funds shall be paid to the director to the credit of the insurance dedicated fund.

¹ All statutory references are to RSMo (Supp. 2010) unless otherwise indicated.

2. Pursuant to § 374.280, the Director, after a hearing under § 374.046, may order a civil penalty or forfeiture payable to the state of Missouri authorized by § 374.049.

3. Section 374.049 authorizes the Director to impose a monetary penalty or forfeiture depending on the level of the violation, and states, in relevant part:

2. An order to impose a civil penalty or forfeiture, when imposed by the director in an administrative proceeding under section 374.046 on a person for any violation of the laws of this state relating to insurance in this chapter, chapter 354 and chapters 375 to 385, RSMo, or a rule adopted or order issued by the director, shall be an order to pay an amount not exceeding the following:

(1) No civil penalty or forfeiture for a level one violation;

(2) One thousand dollars per each level two violation, up to an aggregate civil penalty or forfeiture of fifty thousand dollars per annum for multiple violations;

(3) Five thousand dollars per each level three violation, up to an aggregate civil penalty or forfeiture of one hundred thousand dollars per annum for multiple violations;

(4) Ten thousand dollars per each level four violation, up to an aggregate civil penalty or forfeiture of two hundred fifty thousand dollars per annum for multiple violations;

(5) Fifty thousand dollars per each level five violation, up to an aggregate civil penalty or forfeiture of two hundred fifty thousand dollars per annum for multiple violations

* * *

7. In any enforcement proceeding, the court, or director in administrative enforcement, may enhance the civil penalty or forfeiture with a one-classification step increase under this section, if the violation was knowing. The court, or director in administrative enforcement, may enhance the civil penalty or forfeiture with a two-level increase if the violation was knowingly committed in conscious disregard of the law.

8. In any enforcement proceeding, the court, or director in administrative enforcement, may, after consideration of the factors specified in subsection 2 of section 374.046, enhance the civil penalty or forfeiture with a one-classification step increase under this section, if the violations resulted in actual financial loss to consumers.

4. Section 375.144 states:

It is unlawful for any person, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, to:

- (1) Employ any deception, device, scheme, or artifice to defraud;
- (2) As to any material fact, make or use any misrepresentation, concealment, or suppression;
- (3) Engage in any pattern or practice of making any false statement of material fact; or
- (4) Engage in any act, practice, or course of business which operates as a fraud or deceit upon any person.

5. Under § 375.145, the Director may issue such administrative orders as are authorized under § 374.046 if he determines “that a person has engaged, is engaging in, or has taken a substantial step toward engaging in an act, practice or course of business constituting a violation of section 375.012 to 375.144.” Moreover, a violation of § 375.144 is a level four violation under § 374.049.

6. Section 375.934 RSMo 2000 states:

It is an unfair trade practice for any insurer to commit any practice defined in section 375.936 if:

- (1) It is committed in conscious disregard of sections 375.930 to 375.948 or of any rules promulgated under sections 375.930 to 375.948; or
- (2) It has been committed with such frequency to indicate a general business practice to engage in that type of conduct.

7. Pursuant to § 375.936 RSMo 2000, any of the following practices, if committed in violation of § 375.934, are defined as unfair trade practices in the business of insurance:

- (7) “Misrepresentation in insurance applications”, making false or fraudulent statements or representations on or relative to an application for a policy, for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, agency, broker or other person[.]

8. Section 375.942.1, states:

If the director determines that an insurer has engaged, is engaging, or has taken a substantial step toward engaging in an act, practice, or course of business constituting a violation of sections 375.930 to 375.948 or a rule adopted or order issued pursuant thereto, or that a person has materially aided or is materially aiding a practice constituting a violation of sections 375.930 to 375.948 or a rule adopted or order issued pursuant thereto, the director may issue such administrative orders as authorized under section 374.046. Each practice in violation of section 375.934 is a level two violation under section 374.049. Each act as part of a trade practice does not constitute a separate violation under section 374.049. The director may also suspend or revoke the license or certificate of authority of an insurer for any willful violation.

9. Section 375.991 provides, in relevant part:

1. As used in sections 375.991 to 375.994, the term "statement" means any communication, notice statement, proof of loss, bill of lading, receipt for payment, invoice, account, estimate of damages, bills for services, diagnosis, prescription, hospital or doctor records, x-rays, test results or other evidence of loss, injury or expense.

2. For the purposes of sections 375.991 to 375.994, a person commits a "fraudulent insurance act" if such person knowingly presents, causes to be presented, or prepares with knowledge or belief that it will be presented, to or by an insurer, purported insurer, broker, or any agent thereof, any oral or written statement including computer generated documents as part of, or in support of, an application for the issuance of, or the rating of, an insurance policy for commercial or personal insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance, which such person knows to contain materially false information concerning any fact material thereto or if such person conceals, for the purpose of misleading another, information concerning any fact material thereto.

10. Under § 375.994.4, the Director may issue such administrative orders as authorized under § 374.046 if he determines:

that a person has engaged, is engaging in, or has taken a substantial step toward engaging in an act, practice or course of business constituting a violation of section 375.991 or a rule adopted or order issued pursuant thereto, or that a person has materially aided or is materially aiding an act, practice, omission, or course of business constituting a violation of section 375.991 or a rule adopted or order issued pursuant thereto, the director may issue such administrative orders as authorized under section 374.046, RSMo. A violation of any of these sections is a level two violation under section 374.049, RSMo. The director may also suspend or revoke the license or certificate of authority of such person for any willful violation.

11. Furthermore, the Director may also suspend or revoke the license or certificate of authority of such person for any willful violation. § 375.994.4.

12. Pursuant to 20 CSR 700-1.020(4)(B), an insurance producer "may be found to be materially aiding any acts in violation of law engaged in by an unlicensed individual under the supervision of that insurance producer."

13. Section 376.1094 states, in relevant part:

2. The director may, in his discretion, suspend or revoke the certificate of authority of an administrator if the director finds that the administrator or any of its officers, directors or any individual responsible for the conduct of its affairs as described in subdivision (3) of subsection 2 of section 376.1092:

(1) Has violated any lawful rule or order of the director or any provision of the insurance laws of this state;

(2) Has refused to be examined or to produce its accounts, records and files for examination, or if any of its officers has refused to give information with respect to its affairs or has refused to perform any other legal obligation as to such examination, when required by the director;

* * *

(7) Is not competent, trustworthy, financially responsible or of good personal and business reputation, has had an insurance or administrator license denied for cause by any state or been subject to any form of administrative, civil or criminal action by any federal or state agency or court resulting in some form of discipline or sanction[.]

* * *

4. If the director determines that a person has engaged, is engaging in, or has taken a substantial step toward engaging in an act, practice or course of business constituting a violation of sections 376.1075 to 376.1095 or a rule adopted or order issued pursuant thereto, or that a person has materially aided or is materially aiding an act, practice, omission, or course of business constituting a violation of sections 376.1075 to 376.1095 or a rule adopted or order issued pursuant thereto, the director may issue such administrative orders as authorized under section 374.046, RSMo. A violation of any of these sections is a level three violation under section 374.049, RSMo.

14. Section 375.991.2 states:

For the purposes of sections 375.991 to 375.994, a person commits a "fraudulent insurance act" if such person knowingly presents, causes to be presented, or prepares with knowledge or belief that it will be presented, to or by an insurer, purported insurer, broker, or any agent thereof, any oral or written statement including computer generated documents as part of, or in support of, an application for the issuance of, or the rating of, an insurance policy for commercial or personal insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance, which such person knows to contain materially false information concerning any fact material thereto or if such person conceals, for the purpose of misleading another, information concerning any fact material thereto.

15. Section 375.994 states, in relevant part:

4. If the director determines that a person has engaged, is engaging in, or has taken a substantial step toward engaging in an act, practice or course of business constituting a violation of section 375.991 or a rule adopted or order issued

pursuant thereto, or that a person has materially aided or is materially aiding an act, practice, omission, or course of business constituting a violation of section 375.991 or a rule adopted or order issued pursuant thereto, the director may issue such administrative orders as authorized under section 374.046. A violation of any of these sections is a level two violation under section 374.049. The director may also suspend or revoke the license or certificate of authority of such person for any willful violation.

* * *

7. If the director determines that a person regulated under this chapter has conducted its business fraudulently with respect to sections 375.991 to 375.994, or has as a matter of business practice abused its rights under said sections, such conduct shall constitute either an unfair trade practice under the provisions of sections 375.930 to 375.948 or an unfair claims settlement practice under the provisions of sections 375.1000 to 375.1018.

16. Section 374.210 states, in relevant part:

1. It is unlawful for any person in any investigation, examination, inquiry, or other proceeding under this chapter, chapter 354, and chapters 375 to 385, to:

(1) Knowingly make or cause to be made a false statement upon oath or affirmation or in any record that is submitted to the director or used in any proceeding under this chapter, chapter 354, and chapters 375 to 385; or

(2) Make any false certificate or entry or memorandum upon any of the books or papers of any insurance company, or upon any statement or exhibit offered, filed or offered to be filed in the department, or used in the course of any examination, inquiry, or investigation under this chapter, chapter 354 and chapters 375 to 385.

2. If a person does not appear or refuses to testify, file a statement, produce records, or otherwise does not obey a subpoena as required by the director, the director may apply to the circuit court of any county of the state or any city not within a county, or a court of another state to enforce compliance. The court may:

(1) Hold the person in contempt;

(2) Order the person to appear before the director;

(3) Order the person to testify about the matter under investigation or in question;

(4) Order the production of records;

(5) Grant injunctive relief;

(6) Impose a civil penalty of up to fifty thousand dollars for each violation; and

(7) Grant any other necessary or appropriate relief.

The director may also suspend, revoke or refuse any license or certificate of authority issued by the director to any person who does not appear or refuses to testify, file a statement, produce records, or does not obey a subpoena.

5. If the director determines that a person has engaged, is engaging in, or has taken a substantial step toward engaging in an act, practice or course of business constituting a violation of this section, or a rule adopted or order issued pursuant thereto, or that a person has materially aided or is materially aiding an act, practice, omission, or course of business constituting a violation of this section or a rule adopted or order issued pursuant thereto, the director may issue such administrative orders as authorized under section 374.046. A violation of subsection 1 of this section is a level four violation under section 374.049. The director may also suspend or revoke the license or certificate of authority of such person for any willful violation.

17. This proceeding is in the public interest.

FACTS RELEVANT TO ALL COUNTS

18. John M. Huff is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration who has the duty to administer Chapters 374, 375, and 376, RSMo, which includes the supervision, regulation, and discipline of insurers, producers and their agencies, and third-party administrators licensed to operate and conduct business in the state of Missouri.

19. The Department issued Missouri Public Entity Benefits, Inc. a business entity insurance producer license (No. 8023500) to conduct insurance business in Missouri on September 12, 2007, which has subsequently been renewed and will expire on September 12, 2011.

20. Missouri Public Entity Benefits, Inc. does business as "Missouri Public Entity Benefits" and as "MoPEB." For convenience, Missouri Public Entity Benefits, Inc. will be referred to as "MoPEB" herein.

21. On March 25, 2011, the Missouri Secretary of State issued her "Administrative Dissolution or Revocation for a For-Profit Corporation" regarding Missouri Public Entity Benefits, Inc. which administratively dissolved or revoked Missouri Public Entity Benefits, Inc. as a registered Missouri corporation (No. 00760511). "A corporation administratively dissolved may not carry on any business except that necessary to wind up and liquidate its business and affairs under Section 351.476." Secretary of State's "Administrative Dissolution or Revocation for a For-Profit Corporation," March 25, 2011.

22. The Department issued MoPEB a certificate of authority as a third-party administrator on September 3, 2009 to engage in the business of insurance in Missouri as a third-party administrator. The certificate of authority will expire on July 1, 2011, but is currently inactive having been withdrawn as of February 24, 2011.

23. MoPEB also conducts business under the following names: The Health Solutions Group, Inc.; MoPEB HealthCare Alliance; and MoPEB TPA Services. MoPEB HealthCare Alliance and MoPEB TPA Services are registered fictitious names with the Missouri Secretary of State for Missouri Public Entity Benefits, Inc. The Health Solutions Group, Inc. is a registered Missouri corporation in good standing. However, none of these three entities are licensed to conduct the business of insurance in Missouri nor are they listed with the Department as a fictitious name or "d/b/a" for the licensed entities.

24. The Department issued Kerry D. Kisslinger ("Kisslinger") a resident insurance producer license on May 16, 2005 (No. 0348013).

25. In June 2010, Kisslinger notified the Department that he now resides at 4106 Windy Woods Court, Kingwood, Texas 77345-1287. Kisslinger changed his domicile state for his insurance producer license to Texas.

26. In March 2011, Kisslinger returned his non-resident insurance producer license renewal card to the Department and requested that his Missouri license be cancelled because he does "not wish to hold Missouri nonresident license. Not in the insurance industry." At his request, the Department cancelled Kisslinger's non-resident insurance producer license effective March 31, 2011.

27. The Department issued Ashley Elizabeth Sasz Kisslinger ("Sasz Kisslinger") an insurance producer license on August 14, 2006 (No. 0376449), which was subsequently renewed until it was refused by the Director on August 6, 2010. *In the Matter of Ashley Sasz Kisslinger*, Case No. 10-0726549C, Refusal to Renew Insurance Producer License.

28. In June 2010, Sasz Kisslinger notified the Department that she now resides in the state of Texas at 4106 Windy Woods Court, Kingwood, Texas 77345-1287. Sasz Kisslinger changed her domicile state for her insurance producer license to Texas.

29. Kisslinger and Sasz Kisslinger co-own MoPEB with Sasz Kisslinger as its president and Kisslinger as the secretary. Kisslinger and Sasz Kisslinger are the designated responsible licensed producers for MoPEB.

30. Sasz Kisslinger applied for MoPEB's certificate of authority as a third-party administrator. In addition, she identified herself as the responsible person for the conduct of affairs of MoPEB as third-party administrator.

31. Until approximately May 2010, MoPEB conducted business at 6314 Route B, Jefferson City, Missouri 65101.

32. In June 2010, MoPEB notified the Department that its new business address is 2350 Old Nome Road, China, Texas, 77613, or P.O. Box 579, China, Texas 77613, and changed its domicile state for its licensure from Missouri to Texas.

33. Sasz Kisslinger identified Leigh Boyce ("Boyce") as vice president of operations for MoPEB and an employee of MoPEB. Boyce currently resides at 706 Cardinal Street, Jefferson City, Missouri 65101.

34. At all times relevant to this Statement of Charges, Boyce did not hold an insurance producer license in Missouri or in any other state.

35. As used herein, the term “MoPEB” refers to each of the entities or fictitious names for such entities described in Paragraphs 19 through 23.

36. Unless otherwise indicated, the term “Respondents” as used herein refers to MoPEB, Kerry Kisslinger, Sasz Kisslinger, and Boyce.

37. After receiving complaints against MoPEB and as part of its investigation, the Department served a subpoena duces tecum pursuant to § 374.190 RSMo 2000 upon MoPEB seeking the production of documents “including original applications and any copies or versions of applications.” When MoPEB refused to produce the records, the Director of the Department, through counsel, filed an action seeking an order to compel the production of the records. *In re: Application of Director of Missouri Department of Insurance, Financial Institutions and Professional Registration for Order Compelling Production of Records*, Cole County Cir. Ct., No. 10AC-CC00262. After hearing, the court issued its Order, concluding, in relevant part:

THE COURT FINDS AND CONCLUDES THAT the Director, pursuant to his authority under § 374.190 RSMo 2000 and § 374.210 RSMo (Supp. 2009), properly served a subpoena duces tecum upon MoPEB and its affiliated companies on April 21, 2010, seeking immediate access to and production of “All member/enrollee/insured files from 2009 to the present, including original applications and any copies or versions of applications.”

THE COURT FURTHER FINDS AND CONCLUDES THAT MoPEB has refused to produce records or otherwise has not obeyed the Director’s subpoena duces tecum.

38. The court’s Order compelled the production of the original applications and any copies or versions and ordered MoPEB “in all respects [to] comply with the Director’s subpoena duces tecum.” *Id.*

39. To effectuate the court’s Order, Department investigators visited MoPEB on April 21 and 22, 2010 to obtain the original health insurance applications from MoPEB submitted by all applicants. On April 22, 2010, MoPEB provided some original applications and/or copies in response to the Court’s Order.

40. Thereafter, the Department served subpoenas on Sasz Kisslinger, Kisslinger, and Boyce pursuant to which they appeared at the Department and testified under oath.

41. Sasz Kisslinger testified that she managed and was in charge of the MoPEB office, its operations, and employees. Her husband, Kerry Kisslinger, was in charge of sales for MoPEB.

42. MoPEB, Sasz Kisslinger, and Kisslinger solicited, negotiated, and sold group health insurance policies to public entities in Missouri and their employees.

43. Sasz Kisslinger supervised and directed Boyce, vice president of operations. As part of her duties, Boyce was responsible for insurance applications and insurance quotes.

44. At all times relevant to this Verified Statement of Charges, MoPEB, Ashley Sasz Kisslinger, and Kerry Kisslinger were recognized agents of John Alden Life Insurance Company (an Assurant Health company). According to the Assurant Health Group Insurance Enrollment Form (i.e., health insurance application), "Assurant Health is the brand name for products underwritten and issued by John Alden Life Insurance Company." For convenience, the health insurer will be referred to as "Assurant."

45. From at least August 2009 to approximately May 2010, Respondents and their licensed and unlicensed employees acting at Respondents' direction engaged in whitening out information, adding information, and making other unauthorized alterations on health insurance policy applications.

46. Insurance producers misrepresent, alter or omit health conditions or information of applicants for health insurance in order to obtain more favorable quotes or rates for health insurance. This process is known in the insurance industry as "clean sheeting". As described in detail below, MoPEB, Sasz Kisslinger, Kisslinger, Boyce and the MoPEB employees used the term "scrubbing" when describing the deletion, alteration or addition of information on a health insurance application.

47. Carrie Couch, formerly Special Investigator, and now Chief of Investigations, spoke with former MoPEB employees who worked for Sasz Kisslinger and Kisslinger. The information provided by the former employees includes, but is not limited to, the following:

- a. Sasz Kisslinger, Kisslinger, and Boyce spoke openly to MoPEB staff of "scrubbing apps." At MoPEB, the term "scrubbing apps" meant to add information to a health insurance application that may have been left blank (height or weight) or to otherwise change a health insurance application without the applicant's consent.
- b. Sasz Kisslinger and/or Boyce provided MoPEB staff with a "scrub list" which was an Assurant health insurance application reflecting ideal applicants with healthy weights, heights, and blood pressure readings. Sasz Kisslinger and/or Boyce instructed MoPEB staff to use this "template" or "scrub list" to assist in scrubbing applications.
- c. Sasz Kisslinger told MoPEB employees that the groups (public entities) would get better quotes if MoPEB employees whited-out the unhealthy weights and put healthier weights in place of the unhealthy ones.
- d. Sasz Kisslinger, Kisslinger, and Boyce instructed MoPEB staff to add in heights and weights that were missing on health insurance applications without obtaining the authorization of the applicants.

- e. Sasz Kisslinger, Kisslinger, and Boyce told MoPEB staff to whiteout prescription information on health insurance applications without obtaining the authorization of the applicants.
- f. Sasz Kisslinger, Kisslinger, and Boyce told MoPEB staff to whiteout medical and health history information on health insurance applications without obtaining the authorization of the applicants.
- g. If the health insurance application had too much to white out, Respondents instructed MoPEB staff to replace an entire page of the application. A large "X" would be placed on the original page of the application so staff would know not to scan that page into the server for transmittal to Assurant. The insurance applicants did not authorize or have knowledge of the replacement of pages used in their applications submitted by Respondents to Assurant.
- h. One employee stated that she concluded Sasz Kisslinger did not have authority or permission from the health insurance applicants to scrub, whiteout or change applications, because Sasz Kisslinger told the employees to "make sure the handwriting looks the same."
- i. More than one employee saw Boyce hold an application up to a window and trace a signature on a clean application.
- j. Sasz Kisslinger, Kisslinger and/or Boyce instructed an employee to order many different kinds of whiteout (pens, strips, tape) to test what would work best to whiteout applications.
- k. MoPEB employees also applied for group coverage through Assurant. The health insurance applications of several MoPEB employees were "scrubbed" with answers changed and pages replaced without the authorization or knowledge of the MoPEB employees.
- l. Boyce told one employee: "I told Ashley [Sasz Kisslinger] they were going to get into trouble for this because it's illegal."
- m. After the Department's investigators visited MoPEB [on April 21 and 22, 2010], a MoPEB employee heard Sasz Kisslinger and Boyce discuss that someone must have turned them in for scrubbing applications.
- n. Boyce told Sasz Kisslinger that she got rid of the really bad applications. Boyce put them in a shred box under her desk, not the "Shred It" box. ["Shred It" is a company which provides on-site shredding services.]
- o. Also after the Department's investigators visited the MoPEB office, Sasz Kisslinger instructed staff to keep the blinds shut and the door locked. She also instructed an employee to contact the shred company, "Shred It", and ask them to

make a special trip to the MoPEB offices to shred documents. "Shred It" was only scheduled to come to the MoPEB offices once a month to shred documents.

- p. Sasz Kisslinger and Boyce told at least one employee not to release anything to the Department of Insurance.
- q. The scrubbing of applications and forging of signatures by MoPEB, Sasz Kisslinger, Kisslinger, and Boyce and their employees took place at least since August 2009, but increased dramatically during the 2009 open enrollment period.

48. Sasz Kisslinger, Kisslinger, and Boyce testified that completed health insurance applications would come from the public entities by fax, email, mail, or hand-delivered by MoPEB producers. MoPEB would fax the applications to the health insurer or scan the applications and forward them to the health insurer by email.

49. Because Respondents and MoPEB employees acting at Respondents' direction scanned and emailed or faxed the scrubbed or altered applications to Assurant, some original applications from the public entity employees were never sent to Assurant. Assurant only received scrubbed or altered health insurance applications for some public entity employees, including but not limited to employees for the Jasper County Sheltered Facilities Board and Macon Municipal Utilities.

50. By scrubbing applications, adding false information or altering information on the applications, Respondents intentionally failed to provide true and accurate health information to Assurant for many applications sent to Assurant which issued policies based on the applications.

51. Assurant, relying upon Respondents' false and fraudulent applications, did not have adequate and accurate information to properly or adequately underwrite the health insurance policies. As a result, Assurant provided favorable quotes for insurance rates for the public entities' employees and the public entities therefore agreed to purchase insurance from MoPEB, Sasz Kisslinger, and Kisslinger, resulting in MoPEB, Sasz Kisslinger, and Kisslinger obtaining a fee, commission, money or other benefit from Assurant or other persons or insurers.

52. Respondents and MoPEB employees acting at Respondents' direction and authority, engaged in scrubbing (whiting out; adding of false information; altering information; substituting pages; forging signatures; etc.) on numerous health insurance applications. The following few examples illustrate the scrubbing by Respondents and by their employees at Respondents' direction and authority. The information contained in the health insurance applications is discussed generally to safeguard the protected health information of the applicants used in these examples. Also, to safeguard their identity, applicants have been assigned a number or letter for designation.

a. Macon Municipal Utilities Applicant #1

On June 30, 2010, Applicant #1 met with Carrie Couch, Chief of Investigations, regarding their health insurance application submitted to MoPEB.

In Section E – Medical History, Applicant #1 listed two medications and listed the health condition for which the medications were used.

In the application provided by MoPEB to the Department, the condition Applicant #1 had listed for each medication was whited out and another word for a different condition is written in. Holding the application to the light, the Applicant's listed condition can be seen underneath the white out.

In the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, the Applicant's listed condition does not appear in Section E of the application, only the condition written in by MoPEB.

Applicant #1 did not authorize anyone, including MoPEB and its employees, to change the application. Further, no one from MoPEB contacted Applicant #1 requesting clarification or asking if MoPEB could change the information submitted on the application.

b. Macon Municipal Utilities Applicant #2

On June 30, 2010, Applicant #2 met with Carrie Couch regarding their health insurance application submitted to MoPEB.

Applicant #2 had marked "Yes" to questions 3, 4.a, and 4.b in Section E – Medical History of the application. Question 3 asks the applicant to circle all conditions that apply, and a list of conditions is provided. Applicant #2 circled a condition. Applicant #2 also inserted corresponding detailed explanations in Section F – Medical History Details for each question Applicant #2 answered "Yes" in Section E.

In the application provided by MoPEB to the Department, the "Yes" boxes which Applicant #2 had marked with a checkmark to questions 3, 4.a, and 4.b in Section E – Medical History of the application had been whited out, with new "Yes" boxes hand-drawn to give the appearance that the boxes were not marked. Instead, for questions 3, 4.a, and 4.b in Section E – Medical History, the "No" boxes have been checked.

Also in the application provided by MoPEB to the Department, all of the information listed by Applicant #2 in Section F – Medical History Details has been whited out. When holding the application up to the light, one can see Applicant #2's hand-written explanation under the white out.

In the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, all questions in Section E – Medical History are checked “No”. However, where Applicant #2 had circled a condition in response to question 3, that item was still circled even though the question was marked with a “No” answer on the application forwarded by MoPEB to Assurant.

In the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, there is nothing written in Section F – Medical History Details.

Applicant #2 did not authorize anyone, including MoPEB and its employees, to change the application. Further, no one from MoPEB contacted Applicant #2 requesting clarification or asking if MoPEB could change the information submitted on the application.

c. Macon Municipal Utilities Applicant #3

On June 30, 2010, Applicant #3 met with Carrie Couch regarding their health insurance application submitted to MoPEB.

Applicant #3 marked the box for “Yes” to questions 2, 4.a, 4.b, and 4.c in Section E – Medical History of the application.

Applicant #3 completed Section F – Medical History Details for each of the four questions marked “Yes” in Section E. Applicant #3 listed three health diagnoses/conditions as the explanation for the “Yes” responses to questions in Section E.

In the application provided by MoPEB to the Department, the entire page completed by Applicant #3 containing Section E – Medical History has been marked with a large “X”. A new page is inserted into the application with the response to all questions in Section E indicated as “No”.

In the application provided by MoPEB to the Department, Section F – Medical History Details completed by Applicant #3 is marked out by four slashes “\”. A new clean page is inserted, with nothing written in Section F.

In the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, all questions in Section E – Medical History are marked “No”. Also, there is nothing written in Section F – Medical History Details.

Applicant #3 did not authorize anyone, including MoPEB and its employees, to change the application. Further, no one from MoPEB contacted Applicant #3 requesting clarification or asking if MoPEB could change the information submitted on the application.

d. Macon Municipal Utilities Applicant #4

On June 30, 2010, Applicant #4 met with Carrie Couch regarding their health insurance application submitted to MoPEB.

Applicant #4 listed multiple children, in addition to Applicant #4, who were to be covered by the health insurance policy. In Section E – Medical History, Applicant #4 included four medications for Applicant #4 and listed the conditions the medications were used for. Applicant #4 also lists medications for two children along with the conditions for use.

In Section E – Medical History, Applicant #4 marked “Yes” to questions 4.a, 4.b, 6.a, and 6.d. In response to question 6.d, Applicant #4 marked “Yes” and filled in the “Diagnosis” line with three diagnoses, and circled three types of treatment for the “Treatment” question.

In the application provided by MoPEB to the Department, the entire page completed by Applicant #4 containing Section E – Medical History has been marked with a large “X”. A new page is inserted into the application. The new page only lists three of the four medications originally listed by Applicant #4 for themselves.

The new page for Section E – Medical History no longer lists any medications for the two children.

Furthermore, the new Section E page only includes one “Yes” response, to question 6.a., where previously four questions were answered affirmatively by Applicant #4. Specifically with regards to question 6.d, which Applicant #4 answered with details regarding diagnosis and treatment, the MoPEB new page answers “No” to question 6.d and does not include the diagnosis and treatment indicated by Applicant #4.

Applicant #4 submitted detailed responses about Applicant #4 and the children in Section F – Medical History Detail, for each of the four questions to which Applicant #4 had marked “Yes”.

In the application provided by MoPEB to the Department, the entire page completed by Applicant #4 containing Section F – Medical History Details has been marked with a large “X”. A new page is inserted into the application. On the new page inserted by MoPEB, no information is included in Section F – Medical History Details.

In the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, only question 6.a has been marked “Yes”. Questions

4.a, 4.b, and 6.d in Section E – Medical History are marked “No”. Also, there is nothing written in Section F – Medical History Details.

Applicant #4 did not authorize anyone, including MoPEB and its employees, to change the application. Further, no one from MoPEB contacted Applicant #4 requesting clarification or asking if MoPEB could change the information submitted on the application.

e. Jasper County Sheltered Facilities Board Applicant A

On May 24 or 25, 2010, Applicant A met with Carrie Couch regarding their health insurance application submitted to MoPEB. Applicant A and Couch reviewed the original application completed by Applicant A which had been submitted to MoPEB by facsimile.

Applicant A explained to Couch that the employee’s “Height” (in Section E – Medical History) had been left blank when Applicant A submitted the application to MoPEB.

In the application provided by MoPEB to the Department, MoPEB inserted the height 5’ 9”. Applicant A, however, told Couch their actual height which is significantly shorter than 5’ 9”.

In the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, Applicant A’s height is listed as 5’ 9”.

Applicant A did not authorize anyone, including MoPEB and its employees, to change or add information to the application. Further, no one from MoPEB contacted Applicant A requesting clarification regarding Applicant A’s height or asking if MoPEB could add the information submitted on the application.

f. Jasper County Sheltered Facilities Board Applicant B

On May 24 or May 25, 2010, Applicant B met with Carrie Couch regarding their health insurance application submitted to MoPEB. Applicant B and Couch reviewed the original application completed by Applicant B which had been submitted to MoPEB by facsimile.

In Section E – Medical History in the original application, Applicant B marked “Yes” to five questions: questions 4.b, 5, 6.b, 6.c, and 6.d. Also in Section E, Applicant B included specific information relating to the conditions acknowledged in each sub-question of question 6, including writing out the specific condition. Applicant B also circled the treatment received for the condition.

In the original application, Applicant B included extensive information in Section F – Medical History Details (page 3 of the application) in response to each question in Section E that was answered in the affirmative, listing multiple diagnoses in Section F.

In Section E of the application provided by MoPEB to the Department, the marks in the “Yes” boxes for questions 4.b, 5, 6.c, and 6.d have been whited out and the “No” boxes marked. An attempt was made to redraw the “Yes” boxes that had been whited out. The condition written in by Applicant B has been whited out and when held to light, the condition can still be seen beneath the white out. The treatments Applicant B had are crossed through with wavy lines.

Regarding Section F, the application provided by MoPEB to the Department contains a new, clean page 3 of the application showing no details or explanations for questions answered affirmatively in Section E.

In the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, questions 4.b, 5, 6.c, and 6.d are marked “No”. The words that had been circled by Applicant B, are crossed through with wavy lines. Section F has no information written in.

Applicant B did not authorize anyone, including MoPEB and its employees, to change the application. Further, no one from MoPEB contacted Applicant B requesting clarification or asking if MoPEB could change the information submitted on the application.

g. Jasper County Sheltered Facilities Board Applicant C

On May 24 or May 25, 2010, Applicant C met with Carrie Couch regarding their health insurance application submitted to MoPEB. Applicant C and Couch reviewed the original application completed by Applicant C which had been submitted to MoPEB by facsimile.

In Section A – Employee Information, Applicant C listed a date in 2009 as their “Full-time Employment Date” with the Jasper County Sheltered Facilities Board.

In Section E – Medical History in the original application, Applicant C marked “Yes” to three questions: questions 2, 3, and 4.a. Applicant C underlined one condition in response to Question 2 and another in response to Question 3.

In Section F – Medical History Details in the original application, Applicant C responded with details regarding each of the three questions answered affirmatively in Section E, including the diagnosis.

In the application provided by MoPEB to the Department, the year, “09” of “Full-time Employment Date” for Applicant C in Section A is whited out and written

over with "07". MoPEB also whited out and wrote over information regarding the effective date of insurance coverage for Applicant C in Section H.

In Section E of the application provided by MoPEB to the Department, the marks in the "Yes" boxes for questions 2, 3 and 4.a have been whited out and the "No" boxes marked. An attempt was made to redraw the "Yes" boxes that had been whited out. Applicant C's underlining of conditions questions 2 and 3 remained, even though those questions have "No" marked in the application provided by MoPEB to the Department.

All information hand-written by Applicant C in Section F has been-whited out by MoPEB. By holding the document to the light, the information originally written by Applicant C can be discerned. The application provided by MoPEB to the Department contains none of the details or explanations Applicant C had included on the application.

In the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, all of the questions in Section E – Medical History are marked "No" (although the underlining remains on the words underlined by Applicant C). Also in the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, Section F is completely blank. Assurant's copy of the application only shows the dates of employment and coverage as changed by MoPEB, not Applicant C's original information.

Applicant C did not authorize anyone, including MoPEB and its employees, to change the application. Further, no one from MoPEB contacted Applicant C requesting clarification or asking if MoPEB could change the information submitted on the application.

h. Jasper County Sheltered Facilities Board Applicant D

On May 24 or 25, 2010, Applicant D met with Carrie Couch regarding their health insurance application submitted to MoPEB. Applicant D and Couch reviewed the original application completed by Applicant D which had been submitted to MoPEB by facsimile.

In Section E – Medical History in the original application, Applicant D marked "Yes" to questions 3, 4.b and 6.d. In responding to 6.d, Applicant D wrote in a condition for the diagnosis.

In Section F – Medical History Detail in the original application, Applicant D provided details regarding the affirmative answers to questions 3, 4.b, and 6.d. in Section E.

In Section E of the application provided by MoPEB to the Department, the marks in the "Yes" boxes for questions 4.b and 6.d have been whited out and the "No"

boxes marked. An attempt was made to redraw the "Yes" boxes that had been whited out. The condition written by Applicant D for the diagnosis in response to question 6.d. remains even though the "Yes" answer to question 6.d was whited out and marked "No".

In Section F of the application provided by MoPEB to the Department, Applicant D's detail response to questions 4.b and 6.d have been whited out.

In the application forwarded by MoPEB to Assurant and then provided by Assurant to the Department, only question 3 in Section E is responded to with a "Yes", and only that question is discussed in Section F for medical history details. However, Applicant D's hand-written condition in response to question 6.d is on the application provided by Assurant to the Department.

Applicant D did not authorize anyone, including MoPEB and its employees, to change the application. Further, no one from MoPEB contacted Applicant D requesting clarification or asking if MoPEB could change the information submitted on the application.

53. MoPEB, Sasz Kisslinger, and Kisslinger and their employees acting at Respondents' direction and under their authority made false and fraudulent statements or representations on or relative to health insurance applications for the purpose of obtaining a fee, commission, money or other benefit from an insurer, agency, broker or other person.

54. MoPEB, Sasz Kisslinger, and Kisslinger may be found to have materially aided any acts in violation of the law engaged in by any unlicensed individual as alleged in this Statement of Charges under Respondents' supervision.

COUNT I

Scrubbing Applications as a Violation of § 375.144(1)

55. By engaging in scrubbing health insurance applications without authorization in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, Respondents have employed a deception, device, scheme or artifice to defraud in violation of § 375.144(1).

56. Each separate act of scrubbing (whiting out; adding of false information; altering information; substituting pages; forging signatures; etc.) applications without authorization in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, constitutes a separate deception, device, scheme or artifice to defraud in violation of § 375.144(1).

57. Respondents' violations of § 375.144(1) were knowing or were knowingly committed in conscious disregard of the law, and/or resulted in actual financial loss to consumers.

COUNT II
Scrubbing Applications as a Violation of § 375.144(2)

58. By engaging in scrubbing health insurance applications without authorization in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, Respondents have made or used misrepresentation, concealment or suppression as to any material fact in violation of § 375.144(2).

59. Each separate act of scrubbing (whiting out; adding of false information; altering information; substituting pages; forging signatures; etc.) health insurance applications without authorization in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, constitutes a separate misrepresentation, concealment or suppression as to any material fact in violation of § 375.144(2).

60. Respondents' violations of § 375.144(2) were knowing or were knowingly committed in conscious disregard of the law, and/or resulted in actual financial loss to consumers.

COUNT III
Scrubbing or Altering Applications as a Violation of § 375.144(3)

61. By engaging in scrubbing or altering health insurance applications without authorization in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, Respondents have engaged in a pattern or practice of making a false statement of material fact in violation of § 375.144(3).

62. Respondents engaged in the following separate practices of making false statements of material fact on numerous health insurance applications:

- a. Whiting out information on applications without authorization;
- b. Altering information on application without authorization;
- c. Adding information on applications without authorization;
- d. Substituting new pages in applications without authorization; and
- e. Forging signatures on applications without authorization.

63. Respondents' violations of § 375.144(3) were knowing or were knowingly committed in conscious disregard of the law, and/or resulted in actual financial loss to consumers.

COUNT IV
Scrubbing Applications as a Violation of § 375.144(4)

64. By engaging in scrubbing health insurance applications without authorization in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, Respondents have engaged in an act, practice or course of business which operates as a fraud or deceit of insurers, applicants, and public entities in violation of § 375.144(4).

65. Each separate act of scrubbing (whiting out; adding of false information; altering information; substituting pages; forging signatures; etc.) health insurance applications without authorization in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, constitutes a separate act, practice or course of business which operates as a fraud or deceit of insurers, applicants, and public entities in violation of § 375.144(4).

66. Respondents' violations of § 375.144(4) were knowing or were knowingly committed in conscious disregard of the law, and/or resulted in actual financial loss to consumers.

COUNT V

Unfair Trade Practice under § 375.936(7) in Violation of § 375.934

67. Respondents have engaged in the unfair trade practice of misrepresentation in insurance applications as defined in § 374.936(7) by making false or fraudulent statements or representations on or relative to an application for a policy by scrubbing the applications (whiting out; adding of false information; altering information; substituting pages; forging signatures) for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, agency, broker or other person.

68. Respondents engaged in the following separate practices of misrepresentations on health insurance applications submitted to Assurant:

- a. Whiting out information on applications without authorization;
- b. Altering information on application without authorization;
- c. Adding information on applications without authorization;
- d. Substituting new pages in applications without authorization; and
- e. Forging signatures on applications without authorization.

69. Respondents have committed the unfair trade practice of misrepresentation in insurance applications in conscious disregard of §§ 375.930 to 375.948 or of any rules promulgated thereunder, or with such frequency to indicate a general business practice to engage in that type of conduct, in violation of § 375.934.

70. Respondents' unfair trade practices in violation of § 375.934 were knowing or were knowingly committed in conscious disregard of the law, and/or resulted in actual financial loss to consumers

COUNT VI

Scrubbing Applications Resulted in Misrepresentation or Concealment of Material Fact and Are Fraudulent Insurance Acts and Violations of § 375.991

71. Respondents knew written statements as part of or in support of applications for the issuance of, or the rating of, an insurance policy for personal insurance contained materially false information concerning materials facts.

72. Respondents knew written statements as part of or in support of applications for the issuance of, or the rating of, an insurance policy for personal insurance concealed information concerning material facts for the purpose of misleading another.

73. Respondents committed fraudulent insurance acts by knowingly presenting, causing to be presented, or prepared with knowledge or belief that it would be presented to an insurer, broker, or any agent thereof, applications containing materially false information concerning material facts or concealing information concerning material facts in violation of § 375.991(2).

74. Respondents' violations of § 375.991(2) were knowing or were knowingly committed in conscious disregard of the law, and/or resulted in actual financial loss to consumers

COUNT VII

Knowingly Making False Statements under Oath in Violation of § 374.210.1

75. Sasz Kisslinger, Kisslinger, and Boyce made false statements under oath when they appeared before the Department pursuant to subpoenas, including but not limited to the following false statements:

- a. Denial that health insurance applications were scrubbed or altered without authorization of the applicants;
- b. Denial that they instructed and directed MoPEB employees to scrub or alter health insurance applications;
- c. Denial that scrubbed or altered health insurance application were forwarded to Assurant;
- d. Denial that documents ordered by the circuit court to be produced to the Department were withheld from the Department; and
- c. Denial that documents ordered by the circuit court not to be shredded were in fact shredded or otherwise disposed.

76. By making false statements under oath, Sasz Kisslinger, Kisslinger, and Boyce violated § 374.210.1.

77. The violations of § 374.210.1 by Sasz Kisslinger, Kisslinger, and Boyce were knowing or were knowingly committed in conscious disregard of the law, and/or resulted in actual financial loss to consumers.

COUNT VIII

MoPEB Failed to Comply with the Director's Subpoena in Violation of § 374.210.2

78. The Cole County Circuit Court concluded that MoPEB refused to produce records or otherwise failed to obey the Director's subpoena duces tecum. *In re: Application of Director of Missouri Department of Insurance, Financial Institutions and Professional Registration for Order Compelling Production of Records*, Cole County Cir. Ct., No. 10AC-CC00262.

79. By refusing to produce records or otherwise failing to obey a subpoena as required by the Director, MoPEB violated § 374.210.2.

COUNT IX

Grounds to Revoke the Certificate of Authority of MoPEB as Third-Party Administrator for Failing to Comply with Subpoena in Violation of § 374.210.2

80. The Cole County Circuit Court concluded that MoPEB refused to produce records or otherwise failed to obey the Director's subpoena duces tecum. *In re: Application of Director of Missouri Department of Insurance, Financial Institutions and Professional Registration for Order Compelling Production of Records*, Cole County Cir. Ct., No. 10AC-CC00262.

81. By refusing to produce records or otherwise failing to obey a subpoena as required by the Director, the Director may revoke the certificate of authority issued to MoPEB as a third-party administrator under § 376.1094.2(1) and (2).

COUNT X

Grounds to Revoke the Certificate of Authority of MoPEB as Third-Party Administrator under § 375.994.4 for Violating § 375.991.2

82. The Consumer Affairs Division realleges and expressly incorporates by reference the allegations in Count VI.

83. Respondent MoPEB willfully committed fraudulent insurance acts in violation of § 375.991.2.

84. By willfully violating § 375.991.2, the Director may revoke the certificate of authority of MoPEB as a third-party administrator pursuant to § 375.994.4.

85. By violating § 375.991.2, the Director may revoke the certificate of authority of MoPEB as a third-party administrator pursuant to § 376.1094.2(1).

COUNT XI

Grounds to Revoke the Certificate of Authority of MoPEB as Third-Party Administrator under § 376.1094.2(1)

86. The Consumer Affairs Division realleges and expressly incorporates by reference the allegations in Counts I through V.

87. MoPEB has violated the lawful rules or orders of the Director and has violated the insurance laws of this State. Therefore, the Director may revoke the certificate of authority of MoPEB as a third-party administrator under § 376.1094.2(1).

COUNT XII

Grounds to Revoke the Certificate of Authority of MoPEB as Third-Party Administrator under § 376.1094.2(7)

88. As alleged in Counts I through VI, MoPEB is not competent, trustworthy or of good business reputation. Therefore, the Director may revoke the certificate of authority of MoPEB as a third-party administrator under § 376.1094.2(7).

89. The Director may also suspend or revoke the certificate of authority of MoPEB as a third-party administrator under § 376.1094.2(7) because the insurance producer license of Ashley Sasz Kisslinger, as an officer and individual responsible for the conduct of MoPEB's affairs, was denied for cause or subject to administrative action resulting in revocation of her license.

REQUEST FOR RELIEF

WHEREFORE, the Consumer Affairs Division respectfully requests that the Director grant the following relief:

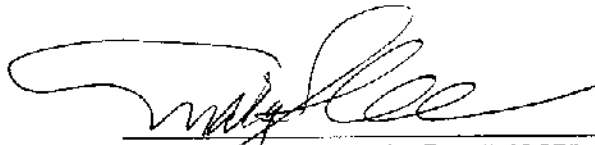
1. Issue an order finding that Respondents have engaged in acts, practices, omissions or courses of business constituting a violation of the laws this state relating to insurance in Chapters 354 and 374 to 385 or in violation of rules adopted or orders issued pursuant to such chapters, including but not limited to §§ 374.210; 375.144(1) – (4); 375.934; and 375.991.2.
2. Issue an order finding that Respondents have materially aided in acts, practices, omissions or courses of business constituting a violation of the laws this state relating to insurance in Chapters 354 and 374 to 385 or in violation of rules adopted or orders issued pursuant to such chapters, including but not limited to §§ 374.210; 375.144(1) – (4); 375.934; and 375.991.2.
3. Issue a curative order or other orders directing Respondents to take other action necessary or appropriate to comply with the insurance laws of this state.
4. Issue an order directing Respondents to show cause why:
 - (1) a curative order or other orders should not be issued;
 - (2) the certificate of authority of Missouri Public Entity Benefits, Inc. as a third-party administrator should not be revoked; and
 - (3) other relief, including penalties, forfeitures, and actual and/or reasonable costs investigation and/or proceeding should not be granted against Respondents.

In such order to show cause and pursuant to § 374.046.3, this matter should be set for hearing at least ten (10) days after the service of the Verified Statement of Charges.

5. Issue an order ordering the payment of monetary penalties pursuant to §§ 374.046, 374.049, 374.280, 375.145, 375.942, and 375.994.

6. Issue an order ordering the payment of actual and/or costs of the investigation of this matter pursuant to § 374.046.1(4) and/or § 374.046.8.
7. Issue an order ordering the payment of actual costs of the proceeding pursuant to § 374.046.8.
8. Issue an order revoking the certificate of authority of Missouri Public Entity Benefits, Inc. as a third-party administrator.
9. Such other relief as the Director deems just and appropriate in this proceeding.

Respectfully submitted,



Mary S. Erickson, Mo. Bar # 42579
Chief Counsel, Insurance Divisions
Missouri Department of Insurance, Financial
Institutions & Professional Registration
P.O. Box 690
Jefferson City, MO 65102-0690
Ph: (573) 751-2619
Fax: (573) 526-5492

ATTORNEY FOR
CONSUMER AFFAIRS DIVISION

VERIFICATION

Before me, the undersigned authority, personally appeared Carrie Couch, who being duly sworn upon oath, deposes and states as follows:

1. My name is Carrie Couch and I am Chief of Investigation of the Special Investigations Section, Consumer Affairs Division, Department of Insurance, Financial Institutions and Professional Registration.
2. I have read the foregoing Verified Statement of Charges and know the contents thereof.
3. The factual allegations contained in this Verified Statement of Charges are true and accurate to the best of my knowledge, information, and belief.

Carrie Couch

Carrie Couch, Chief of Investigations

14th In witness whereof, I have hereunto subscribed my name and affixed my official seal this day of April, 2011.

Kimberly Landers
Notary

My commission expires: May 18, 2012

